

# **Toll Division Customer Service Center Procurement Quarterly Report**

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## Summary

This report is for the period January – March 2015 and addresses requirements in Section 209 (11) of Chapter 222, Laws of 2014 (ESSB 6001) regarding the anticipation of, and preparation for, the procurement of a new Washington State Department of Transportation tolling Customer Service Center. This report addresses the overall progress toward procuring a new tolling Customer Service Center, the development of a request for proposals and the department's effort to mitigate risk to the State.

Based on industry trends and advancements, the Toll Division must anticipate the replacement of the existing Customer Service Center (CSC) system. The replacement will require: procurement scope (determination of what will be procured and solicitation through an open bid), contracting with the new vendor, and transitioning to the new vendor. Current efforts include ongoing strategic planning to determine what to procure and the beginning stages of Request for Proposal (RFP) development. The Department will continue development of the RFP documents into FY 2015 Q4 with an emphasis on completing detailed RFP requirements and preliminary budget development.

## Overall Progress

The Toll Division has identified two potential paths, one to meet the Division's short-term needs and one for long-term potential integration with Washington State Ferries (WSF). Each path will be analyzed for cost/benefit, risk, feasibility and schedule. The Toll Division has continued ongoing discussions with WSF to analyze an alternative to include integration with the WSF Wave2Go card into a single transportation account with centralized account management. This approach advances the recommendation from the Joint Toll and Ferries Feasibility Study (January 2014), looking at the feasibility of a single account-based system for toll road and ferry users.

During this period, the Toll Division convened the Steering Committee, consisting of senior managers from across the Department, and briefed them on project status and major milestones. In addition, the Department continued development of the Project Management Plan and the detailed project schedule.

WSDOT issued a Request for Information (RFI) in December 2014 to hear from industry experts on how CSC and back-office systems have changed over the years. Responses were received from eight different vendors. Six vendors chose to present to the Department in-person, six chose to provide written responses, with four vendors providing both written and in-person responses. A summary of responding vendors is as follows:

Vendor	Written Response	In-Person Presentation
Accenture Industry Solutions and Services	X	X
Cubic	X	
Egis	X	X
Etan Industries		X
Schneider Electric		X
SICE	X	X
TollPlus, Inc.	X	X
TransCore	X	

The Department conducted both systems and operations focused Lessons Learned workshops in late February. The goal of these workshops was to identify potential project elements or other recommended action steps the Department may want to include within the pre-procurement effort. This work was based on prior experience during the implementation of the CSC and the customer service system and the operation of the CSC to date.

### **Request for Proposal Strategic Plan and Development**

The Toll Division is developing a strategic plan outlining the various alternatives for a CSC procurement business model. Options presented will weigh the benefits, challenges, risks and costs of including WSF into a single transportation account as part of the procurement process. A final recommendation on the preferred procurement business model will be made after gathering of requirements is complete in order to further inform the recommendation. The deliverables for this effort will include workshop materials and outcome reports, toll industry review, procurement method research and recommendations, Expert Review Panel review and a final strategic plan.

### **Mitigation Measures**

The Toll Division has taken steps to mitigate risk to the Department. The contract with Electronic Transaction Consultants Corporation (ETCC), the Toll Division's Customer Service Center vendor, has been extended through June of 2016 with an additional optional two year extension to 2018. This provides stability into the future as the department works to procure a vendor with the goal of having them in place in 2018.

Negotiations between the department and ETCC have successfully resolved issues that would have otherwise hindered support of the immediate WSDOT toll program development work. The added CSC scope required to bring I-405 express toll lanes live (Wave 2) has been further negotiated and brought to conclusion with a signed change order.

The procurement of a new CSC will mitigate risks in the long run by preparing the Toll Division for eventual replacement of the CSC system, allowing for the implementation of needed system upgrades.

Ongoing contingency planning will help prepare the Department both for unexpected changes in the vendor services delivery and with future options to help inform the RFP process by exploring best practices moving forward.

### **Next Steps**

In FY 2015 Q4, the Department will finalize project management plans and schedule. In addition, WSDOT will continue development of the RFP documents with an emphasis on detailed RFP requirements gathering with stakeholders and preliminary budget development. To this end, WSDOT will organize smaller groups to concentrate on the areas of: CSC System Functionality, Contract Types and Procurement Strategies, Costs and Funding Sources, and integration with Ferries Ticketing System and DOL. During Q4, the Department will hold an additional meeting with the project Steering Committee to continue regular briefings.